GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:105
ANSWERED ON:02.05.2016
Trade Facilitation Agreement of WTO
Venugopal Dr. Ponnusamy

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the salient features of Trade Facilitation Agreement of the World Trade Organisation (WTO) along with the status of ratification of the said TFA;
(b) whether India is likely to ratify WTO trade facilitation agreement soon and if so, the details thereof along with the benefits likely to accrue as a result thereof;
(c) whether the Free Trade Agreement between India and the European Union is likely to be concluded in near future; and
(d) if so, the details thereof and if not, the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) to d): A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 105 FOR ANSWER ON 02nd MAY, 2016 REGARDING
"TRADE FACILITATION AGREEMENT OF WTO"

(a) & (b) The Trade Facilitation Agreement (TFA) of World Trade Organization (WTO) aims to expedite the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building in this area. These objectives are in consonance with India's "Ease of Doing Business" initiative.
The TFA contains three parts, Section-I contains provisions on simplification of border clearance procedures and adoption of new transparency measures, Section-II pertains to Special & Differential Treatment provisions for developing countries and Least Developed Country Members; and Section III deals with Institutional Arrangements and Final Provisions.
India has ratified the Trade Facilitation Agreement (TFA) on 22nd April, 2016.
Even though India has ratified the TFA, it will enter into force once two-thirds of the World Trade Organization members have completed their domestic ratification process. It is expected that the effective implementation of TFA will reduce transaction costs and improve the overall ease of doing business.

(c) & (d) The India EU BTIA negotiations are underway and 16 rounds of negotiations have been held so far. Recently, two rounds of stocktaking meetings have taken place on 18th January, 2016 and 22nd February, 2016. We are committed to an early and balanced outcome of the negotiations.

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